



Lundbergs

Interim Report January – June 2002

- Profit after full tax amounted to SEK 483 m. (1,943), which corresponds to SEK 7.78 (30.42) per share. Profit for the first half of 2001 included an extraordinary dividend of SEK 1,307 m. from Holmen.
- On June 30, 2002, net asset value per share amounted to SEK 263 (Dec 31, 2001: 247) and SEK 233 (Dec 31, 2001: 220) after deferred tax. The corresponding values on August 21, 2002 were SEK 246 and SEK 221, respectively.

L E Lundbergföretagen AB (publ)

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The accounts are made up in accordance with the Swedish Financial Accounting Standards Council's recommendations. No accounting principles that have an effect on this report have been changed from the principles that were applied in the last annual report. This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's Recommendation RR20 (Interim Reporting). Unless indicated otherwise, the figures presented below within parentheses pertain to comparative results for the corresponding period in the preceding year.

SALES AND PROFIT

The Group's net sales amounted to SEK 1,091 m. (2,330). Profit after financial items amounted to SEK 521 m. (1,852). Profit after full tax was SEK 483 m. (1,943), which corresponds to SEK 7.78 (30.42) per share. Sales and profit for the first half of 2001 were affected by an extraordinary dividend of SEK 1,307 m. from Holmen.

REAL ESTATE

INTERIM PERIOD

Operating profit for the Real Estate business area amounted to SEK 184 m. (181).

Rental revenues from housing and commercial premises, which increased by 5.2% to a total of SEK 407 m. (387), developed well, with housing revenues rising by 2.8% to SEK 197 m. and revenues from commercial premises, etc. rising by 7.5% to SEK 210 m. Housing accounted for 48% of total rental revenues and commercial premises, etc. for 52%.

The average vacancy rate for the period was 2.4% (average 2001: 2.3), of which the vacancy rate for housing was 0.6% (average 2001: 0.9) and the vacancy rate for commercial premises was 4.0% (average 2001: 3.6). The overall vacancy rate in August 2002 was 2.9%, whereby the rate for housing was 0.8% and that for commercial premises was 4.9%.

Property costs rose to SEK 212 m. (197). The increase was due to higher maintenance and tenant-oriented property improvement costs, which totaled SEK 70 m. (50). Other property costs were at the same level as the first half of the preceding year.

The operating net amounted to SEK 232 m. (231).

A net amount of SEK 12 m. (10) was invested in wholly and partly owned properties during the period.

The Group's completed properties, which have a book value of SEK 2,638 m. (2,674), generated an annualized yield (operating net in relation to book value) of 17.5% (17.2). The book value of properties held for future development was SEK 125 m. (141).

SEK m.	Floor space thousand m ²	Rental revenues	Operating net	Book value, June 30, 2002	Operating net as a % of book value (annualized yield)
Completed properties	1,010	405	231	2,638	17.5
Properties held for future development	11	2	1	125	
TOTAL	1,021	407	232	2,763	

CURRENT REPORT PERIOD APRIL - JUNE 2002

Rental revenues increased by 5.7% to SEK 204 m. (193), with housing revenues rising by 2.5% to SEK 98 m. and revenues from commercial premises, etc. rising by 8.8% to SEK 106 m.

Property costs rose by SEK 8 m. to SEK 98 m. (90). The increase was due to higher maintenance and tenant-oriented property improvement costs, which totaled SEK 34 m. (25).

The average vacancy rate during the second quarter was 2.3% (2.7), of which the vacancy rate for housing was 0.6% (1.0) and the rate for commercial premises was 3.8% (4.2).

Quarter	Results per quarter				Full year
	I	II	III	IV	
Rental revenues etc, SEK m.					
2002	203	204			
2001	194	193	197	197	781
2000	182	182	186	190	740
Operating net, SEK m.					
2002	108	125			
2001	110	122	130	115	477
2000	83	86	93	89	351
Vacancy rate, %					
2002	2.5	2.3			
2001	2.7	2.7	1.9	2.1	2.3
2000	4.6	4.2	3.4	3.1	3.9

INVEST

The Invest business area reported operating profit of SEK 397 m. (1,721) for the first half of the year and of SEK 99 m. (140) for the second quarter.

Profit includes dividends of SEK 423 m. from major shareholdings in publicly traded companies (1,716, including extraordinary dividend of 1,307). During the second quarter, dividends totaling SEK 112 m. (133) were received from Cardo and NCC.

The subsidiary L E Lundberg Kapitalförvaltning, whose results are reported in Invest's earnings, reported a loss of SEK 36 m. (0). After financial items, the loss amounted to SEK 38 m. (0). On June 30, 2002, gross exposure to shares and interest-bearing paper amounted to approximately SEK 125 m. (Dec 31, 2001: 203).

MAJOR SHAREHOLDINGS IN PUBLICLY TRADED COMPANIES

The tables below show the voting rights, percentage shareholding, book value and market value of the Group's shares. The percentage shareholding and voting rights in NCC have been affected by NCC's repurchase of its own shares and restamping of shares.

%	August 21, 2002		June 30, 2002		December 31, 2001	
	Voting rights	Share-holding	Voting rights	Share-holding	Voting rights	Share-holding
Cardo	33.5	33.5	33.5	33.5	33.5	33.5
Holmen	52.0	27.2	52.0	27.2	52.0	27.2
Hufvudstaden	87.6	44.2	87.6	44.2	87.6	44.2
NCC	16.9	13.6	16.9	13.6	16.7	13.3

SEK m.	August 21, 2002		June 30, 2002		December 31, 2001	
	Book value	Market value ¹⁾	Book value	Market value ¹⁾	Book value	Market value ¹⁾
Cardo	1,890	1,989	1,890	2,085	1,890	1,589
Holmen	2,547	4,458	2,547	5,376	2,547	5,153
Hufvudstaden	2,828	2,604	2,828	2,663	2,828	2,485
NCC	1,076	857	1,076	907	1,076	967
TOTAL	8,341	9,908	8,341	11,031	8,341	10,194

1) Publicly traded assets are entered at current market price or at the exercise price for written options in the event that the latter price is lower.

PORTFOLIO INVESTMENTS

In addition to the major shareholdings in publicly traded companies, the Group owned publicly traded shares with a book value on June 30, 2002 of SEK 462 m. (Dec 31, 2001: 305) and a market value of SEK 495 m. (Dec 31, 2001: 323). On August 21, 2002, the book and market values were SEK 675 m. and SEK 648 m., respectively.

OTHER SHAREHOLDINGS

The item Other shareholdings includes shares in the unlisted associated company Stadium in an amount of SEK 250 m. (Dec 31, 2001: 250).

FINANCIAL ITEMS

Financial items amounted to an expense of SEK 57 m. (expense: 46), of which net interest items accounted for an expense of SEK 28 m. (expense: 46) and write-downs of shares for SEK 30 m (0). Net interest items during the second quarter amounted to an expense of SEK 18 m. (expense: 16).

FINANCIAL POSITION

Liquid assets (excluding credit facilities) decreased by SEK 106 m. to SEK 4 m. (Dec 31, 2001: 110). Interest-bearing liabilities decreased to SEK 1,744 m. (Dec 31, 2001: 2,023). On June 30, 2002 the average period of fixed interest was approximately 2 month and the average interest rate was 4.5% (4.8).

The Group's interest-bearing net debt decreased to approximately SEK 1,700 m. (Dec 31, 2001: 1,800) and the debt/equity ratio to 0.18 (Dec 31, 2001: 0.19). The Group's reported shareholders' equity on June 30, 2002 was SEK 9,561 m. (Dec 31, 2001: 9,447). The equity/assets ratio rose to 80% (Dec 31, 2001: 78).

NET ASSET VALUE

On June 30, 2002, net asset value ¹⁾ per share amounted to SEK 263 (Dec 31, 2001: 247) and SEK 233 (Dec 31, 2001: 220) after a deduction for deferred tax ²⁾. Reported shareholders' equity accounted for SEK 154 (Dec 31, 2001: 152) of net asset value per share.

On August 21, 2002, estimated net asset value per share was SEK 246 and SEK 221 after deferred tax.

	June 30, 2002		December 31, 2001	
	SEK m.	SEK/share	SEK m.	SEK/share
Real Estate	6,853	110	6,844	110
Invest				
Cardo	2,085	34	1,589	26
Holmen	5,376	87	5,153	83
Hufvudstaden	2,663	43	2,485	40
NCC	907	14	967	15
Stadium	250	4	250	4
Other publicly traded shares	495	8	323	5
Other assets, provisions and liabilities	-2,280	-37	-2,280	-36
NET ASSET VALUE BEFORE DEFERRED TAX ¹⁾	16,349	263	15,331	247
Deferred tax ²⁾	-1,911	-30	-1,666	-27
NET ASSET VALUE AFTER DEFERRED TAX	14,438	233	13,665	220
Market value	11,422	184	9,819	158
Price/NAV, %		79		72

1) Net asset value has been computed as follows: Publicly traded assets are entered at current market price or at the exercise price for written options in the event that the latter price is lower. Properties are entered at the estimated market value on December 31, 2001, based on independent and internal valuations. The only corrections made during the first six months of 2002 have been for investments and sales. Other assets, provisions and liabilities are entered at book value on December 31, 2001 and June 30, 2002, respectively.

2) Deferred tax has been computed on the basis of the difference between the book and market value of properties and publicly traded shares.

REPURCHASE OF OWN SHARES

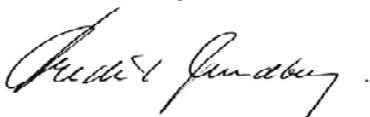
The Annual General Meeting on April 4, 2002 approved the cancellation of the 6,146,900 Series B shares that had previously been repurchased. The meeting also renewed the Board's authorization to repurchase up to 10% of the total number of shares in Lundbergs during the period up to the next Annual General Meeting 2003. The Board has decided to exercise the authorization received from the Annual General Meeting, which will permit the repurchase of up to 6,214,000 shares. As at June 30, 2002, 70,400 shares had been repurchased for a total of SEK 12 m., or an average of SEK 178 per share. The repurchased shares correspond to 0.11% of the share capital and 0.03% of the voting rights. No additional shares were repurchased during the period up to and including August 22, 2002.

The average number of shares outstanding during the first half of 2002 was 62,100,226. The number of shares outstanding on June 30, 2002 was 62,075,083.

PARENT COMPANY

L E Lundbergföretagen AB (publ) reported net sales of SEK 370 m. (1,647). Reported profit after financial items amounted to SEK 320 m. (1,634).

Stockholm, August 22, 2002



FREDRIK LUNDBERG
President

This interim report has not been subject to specific examination by the auditors of L E Lundbergföretagen AB (publ).

FORTHCOMING FINANCIAL INFORMATION

Lundbergs' website	August 30, 2002
• Interim report January-June 2002, with complete consolidation of subsidiaries and associated companies in accordance with the Annual Accounts Act	
• Auditors' examination report for January-June 2002	
Interim report, January-September 2002	November 13, 2002
Year-end report 2002	February 20, 2003
Annual report 2002	March 2003

CONSOLIDATED INCOME STATEMENT

SEK m.	January - June		Quarter II		Full year
	2002	2001	2002	2001	2001
REAL ESTATE					
Operating revenues					
Rental revenues, etc.	407	387	204	193	781
Sales of properties	0	0	0	0	2
Other net revenues	3	1	3	0	2
	410	388	207	193	785
Property costs					
Operating expenses	-86	-87	-36	-37	-163
Property tax	-19	-19	-9	-9	-33
Maintenance and tenant-oriented property improvements	-70	-50	-34	-25	-108
Direct sales and administrative costs	-20	-21	-11	-11	-42
Depreciation	-17	-20	-8	-8	-37
Write-downs	-	-	-	-	-62
	-212	-197	-98	-90	-445
Central administrative costs, etc.	-14	-10	-8	-4	-25
OPERATING PROFIT, REAL ESTATE	184	181	101	99	315
INVEST					
Operating revenues					
Dividends	433	1,726	121	143	1,726
Gains on securities	-27	5	-18	3	-22
Operating expenses	-9	-10	-4	-6	-17
OPERATING PROFIT, INVEST	397	1,721	99	140	1,687
Central administrative costs, etc.	-3	-4	-2	-2	-8
OPERATING PROFIT	578	1,898	198	237	1,994
Financial items	-57	-46	-48	-16	-96
PROFIT AFTER FINANCIAL ITEMS	521	1,852	150	221	1,898
Taxes ^{1, 2)}	-38	91	-19	105	88
Minority share	0	0	0	0	0
REPORTED PROFIT FOR THE PERIOD	483	1,943	131	326	1,986

1) Dividends from Cardo, Holmen, Hufvudstaden and NCC are tax exempt.

2) The reason for the positive tax amount 2001 is that the Administrative Court of Appeal has approved previously rejected tax deductions involving tax-loss carryforwards. The verdict has become legally effective.

KEY FIGURES, GROUP

	June 30 2002	June 30 2001	December 31 2001
Number of shares outstanding	62,075,083	62,598,083	62,145,483
Average number of shares outstanding	62,100,226	63,870,775	63,102,852
Earnings per share after full tax, SEK	7.78	30.42	31.48
Reported shareholders' equity per share, SEK	154	151	152
Debt/equity ratio, multiple	0.18	0.16	0.19
Equity/assets ratio, %	80	79	78

CONSOLIDATED BALANCE SHEET

SEK m.	June 30 2002	June 30 2001	December 31 2001
ASSETS			
Fixed assets			
Tangible fixed assets	2,648	2,686	2,643
Financial fixed assets	9,041	8,681	8,890
	11,689	11,367	11,533
Current assets			
Properties classified as current assets	125	141	133
Other current assets	159	443	461
	284	584	594
TOTAL ASSETS	11,973	11,951	12,127
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	9,561	9,473	9,447
Provisions	427	427	421
Long-term liabilities	61	150	62
Current liabilities	1,924	1,901	2,197
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	11,973	11,951	12,127

CONSOLIDATED CASH FLOW STATEMENT

SEK m.	January - June 2002	January - June 2001	Full year 2001
Cash flow from operations	465	2,017	1,742
Cash flow from investment activities	-195	-113	-380
Cash flow from financing activities	-376	-1,761	-1,260
Change in cash and bank balances	-106	143	102
Cash and bank balances, January 1	110	8	8
Cash and bank balances, period end	4	151	110

SHAREHOLDERS' EQUITY

SEK m.	June 30 2002	June 30 2001	December 31 2001
January 1	9,447	8,526	8,525
Effect of new accounting principle	-	-235	-239
Adjusted amount at January 1	9,447	8,291	8,286
Dividend	-357	-333	-333
Repurchase of Parent company shares	-12	-428	-492
Net profit for the period	483	1,943	1,986
BALANCE, PERIOD END	9,561	9,473	9,447